

TO: D. Beran

DATE: September 18, 1990

FROM: Barbara S.G. Weinstein

SUBJECT: Industry Volume Estimates

Industry volume for the week ending September 14, 1990 was 10.5 billion units, in line with our estimate.

The additional 800 million units in the prior week's industry volume (due to trade reaction to RJR's allocation reduction by either purchasing more of their 2-week allocation, or purchasing additional competitive products) does not seem to be continuing this week, as volume mainly represents manufacturer shipments based on going rates.

We feel the balance of the quarter will reflect some additional purchases in reaction to an impending Federal Excise Tax increase. Taking this revised information into account:

- Industry volume for the quarter is now estimated to be 127.6, or one billion units higher than our original estimate.
- Philip Morris share could be lower by 0.3 for the quarter and 0.1 YTD.

<u>3rd Qtr. 1990</u>	<u>Original Estimate</u>	<u>Current Estimate</u>
Industry	126,525	127,568
PM	52,801	52,801
PM Share	41.73	41.39
Diff. Vs. Year Ago	-4.07	-4.41

<u>1st 9 Mos. 1990</u>	<u>Original Estimate</u>	<u>Current Estimate</u>
Industry	375,553	376,596
PM	157,706	157,706
PM Share	41.99	41.88
Diff. Vs. Year Ago	-0.16	-0.27

BW/et

cc: D. Dangoor
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